

Mar 16 2023
REFERENCE ID: 1254176

STATE OF SOUTH CAROLINA
SECRETARY OF STATE


SECRETARY OF STATE OF SOUTH CAROLINA

CONVERSION OF A LIMITED LIABILITY COMPANY
TO A CORPORATION

****Conversion of an entity can result in tax consequences for the entity. Please consult a tax professional such as a CPA or qualified attorney before filing for conversion.**

The following limited liability company hereby converts to a corporation pursuant to the provisions of Section 33-44-908 and Section 33-44-909 of the 1976 S.C. Code of Laws, as amended, by filing these articles of incorporation.

1. The name of the corporation which complies with Section 33-4-101 of the 1976 S.C. Code of Laws, as amended, is:

TGK Entertainment, Inc.

2. The initial agent for service of process of the corporation is

Palmetto Corporate Services LLC

(Name)

(Signature)

and the street address in South Carolina for this agent for service of process is
940 Johnnie Dodds Blvd., Suite 201

(Street Address)

Mount Pleasant, South Carolina 29464

(City, State, Zip Code)

3. The former name of this corporation while a limited liability company was:

TGK Entertainment, LLC

4. a. The number of votes by the members (entitled to vote) which were cast "for" the conversion was:

1

- b. The number of votes by the members (entitled to vote) which were cast "against" the conversion was:

0

- c. If this was less than a unanimous vote "for" conversion, specify either the number or percentage of votes required to approve the conversion: 1 (Specify whether "number" or "percentage")

5. The corporation is authorized to issue shares of stock as follows. Complete "a" or "b", whichever is applicable:

- a. The corporation is authorized to issue a single class of shares. The total number of shares authorized is:

CERTIFIED TO BE A TRUE AND CORRECT COPY
AS TAKEN FROM AND COMPARED WITH THE
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Mar 16 2023

REFERENCE ID: 1254176


SECRETARY OF STATE OF SOUTH CAROLINA

TGK Entertainment, Inc.

Name of Corporation

- b. The corporation is authorized to issue more than one class of shares:

Class of Shares Authorized	No. of Each Class
Common	10,000,000
Series Seed Preferred	2,500,000
Non-Voting CF Preferred	2,500,000

The relative right, preference, and limitations of the shares of each class, and of each series within a class, are as follows:

See attached Exhibit A

6. Unless a delayed effective date is specified these articles will be effective when endorsed for filing by the Secretary of State. Specify any delayed effective date and time: _____ (Date) _____ (Time)
7. The articles of organization of the limited liability company will be cancelled as of the effective date of this filing.
8. Name, address and signature of each incorporator (only one required):

a.

Adetokumboh M'Cormack

(Name)

205 Sancroft Ln.

(Street Address)

Myrtle Beach, South Carolina 29588

(City, State, Zip Code)

Signed as Filer: Callie McLaughlin

(Signature)

b.

(Name)

(Street Address)

(City, State, Zip Code)

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Mar 16 2023
REFERENCE ID: 1254176

TGK Entertainment, Inc.

Name of Corporation


SECRETARY OF STATE OF SOUTH CAROLINA

(Signature)

c.

(Name)

(Street Address)

(City, State, Zip Code)

(Signature)

9. I, Nathan D. Johnson, an attorney licensed to practice in the State of South Carolina, certify that the corporation, to whose articles of incorporation this certificate is attached, has complied with the requirements in Chapter 2, Title 33 of the 1976 S.C. Code of Laws, as amended, relating to the articles of incorporation.

Date: 03/16/2023

Signed as Filer: Callie McLaughlin

(Signature)

Nathan D. Johnson

(Print Name)

940 Johnnie Dodds Blvd., Suite 205

(Street Address)

Mount Pleasant, South Carolina 29464

(City, State, Zip Code)

843-606-2397

(Telephone Number)

Mar 16 2023
REFERENCE ID: 1254176


SECRETARY OF STATE OF SOUTH CAROLINA

Exhibit A
To
Articles of Amendment of
TGK Entertainment, Inc.
March 16, 2023

I. The corporation hereby supplements Article 5 of its Articles of Conversion to include the following:

“A. Total Share Authorization. The corporation is authorized to issue a total of 15,000,000 shares of capital stock, which shall be comprised in the following amounts and of the following classes of shares:

<u>Class of Shares Authorized</u>	<u>Number of Shares in Each Class</u>
Common Stock	10,000,000
Series Seed Preferred Stock	2,500,000
<u>Non-Voting CF Preferred Stock</u>	<u>2,500,000</u>
TOTAL	15,000,000

B. Common Stock.

1. *General*. The voting, dividend and liquidation rights of the holders of the Common Stock are subject to and qualified by the rights, powers and privileges of the holders of the Preferred Stock set forth herein.

2. *Voting*. The holders of the Common Stock are entitled to one vote for each share of Common Stock held at all meetings of stockholders (and written actions in lieu of meetings). There shall be no cumulative voting. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by (in addition to any vote of the holders of one or more series of Preferred Stock that may be required by the terms of these Articles of Incorporation, as amended) the affirmative vote of the holders of shares of capital stock of the Corporation representing a majority of the votes represented by all outstanding shares of capital stock of the Corporation entitled to vote.

C. Preferred Stock.

Two series of preferred stock are hereby designated as follows:

(i) Series Seed Preferred Stock (“*Series Seed Preferred Stock*”) and, (ii) Non-Voting CF Preferred Stock (“*Non-Voting CF Preferred Stock*,” and collectively with Series Seed Preferred Stock, the “*Preferred Stock*”). The following rights, powers and privileges, and restrictions, qualifications and limitations, shall apply to the Preferred Stock. Unless otherwise indicated, references to “Sections” in this Part C of this Article V refer to sections of this Part C.

Mar 14, 2023 *Liquidation, Dissolution or Winding Up; Certain Mergers, Consolidations and*
REFERENCES: 1254176


SECRETARY OF STATE OF SOUTH CAROLINA

Payments to Holders of Preferred Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation or any Deemed Liquidation Event (as defined below), before any payment shall be made to the holders of Common Stock by reason of their ownership thereof, the holders of shares of Preferred Stock then outstanding shall be entitled to be paid out of the funds and assets available for distribution to its stockholders, an amount per share equal to the greater of (a) the original issue price for such share of Preferred Stock, plus any dividends declared but unpaid thereon, or (b) such amount per share as would have been payable had all shares of Preferred Stock been converted into Common Stock pursuant to Section 3 immediately prior to such liquidation, dissolution or winding up or Deemed Liquidation Event (such greater amount, the “**Preferred Liquidation Amount**”). If upon any such liquidation, dissolution or winding up or Deemed Liquidation Event of the Corporation, the funds and assets available for distribution to the stockholders of the Corporation shall be insufficient to pay the holders of shares of Preferred Stock the full amount to which they are entitled under this Section 1.1, the holders of shares of Preferred Stock shall share ratably in any distribution of the funds and assets available for distribution in proportion to the respective amounts that would otherwise be payable in respect of the shares of Preferred Stock held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full. *For the purpose of clarity*, Holders of Preferred Stock shall participate in a Deemed Liquidation Event either as Holders of Preferred Stock or, if their Preferred Stock is converted to Common Stock prior to a Deemed Liquidation Event, as Holders of Common Stock.

1.2 Payments to Holders of Common Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up or Deemed Liquidation Event of the Corporation, after the payment of all preferential amounts required to be paid to the holders of shares of Preferred Stock as provided in Section 1.1, the remaining funds and assets available for distribution to the stockholders of the Corporation shall be distributed among the holders of shares of Common Stock, *pro rata* based on the number of shares of Common Stock held by each such holder.

1.3 Deemed Liquidation Events.

1.3.1 Definition. Each of the following events shall be considered a “**Deemed Liquidation Event**” unless the Requisite Holders (defined below) elect otherwise by written notice sent to the Corporation at least five (5) days prior to the effective date of any such event:

(a) a merger or consolidation in which (i) the Corporation is a constituent party or (ii) a subsidiary of the Corporation is a constituent party and the Corporation issues shares of its capital stock pursuant to such merger or consolidation, except any such merger or consolidation involving the Corporation or a subsidiary in which the shares of capital stock of the Corporation outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for equity securities that represent, immediately following such merger or consolidation, at least a majority, by voting power, of the equity securities of (1) the surviving or resulting party or (2) if the surviving or resulting party is a wholly owned subsidiary of another

Mar 16 2028
REFERENCE ID: A1254174
party immediately following such merger or consolidation, the parent of such surviving or
Resulting party, provided that, for the purpose of this Section 1.3.1, all shares of Common Stock
cise of options outstanding immediately prior to such merger or consolidation
of Convertible Securities (as defined below) outstanding immediately prior to
such merger or consolidation shall be deemed to be outstanding immediately prior to such merger
or consolidation and, if applicable, deemed to be converted or exchanged in such merger or
consolidation on the same terms as the actual outstanding shares of Common Stock are converted
or exchanged; or

(b) the sale, lease, transfer, exclusive license or other disposition, in a single transaction
or series of related transactions, by the Corporation or any subsidiary of the Corporation of all or
substantially all the assets of the Corporation and its subsidiaries taken as a whole, or, if
substantially all of the assets of the Corporation and its subsidiaries taken as a whole are held by
such subsidiary or subsidiaries, the sale or disposition (whether by merger or otherwise) of one or
more subsidiaries of the Corporation, except where such sale, lease, transfer or other disposition
is to the Corporation or one or more wholly owned subsidiaries of the Corporation.

“Requisite Holders” shall mean the holders of at least a majority of the outstanding shares of
Preferred Stock eligible to vote (voting as a single class on an as-converted basis). The
Corporation shall not have the power to effect a Deemed Liquidation Event referred to in
Subsection 1.3.1(a)(i) unless the agreement or plan of merger or consolidation for such transaction
(the **“Merger Agreement”**) provides that the consideration payable to the stockholders of the
Corporation shall be allocated among the holders of capital stock of the Corporation in accordance
with Sections 1.1 and 1.2.

1.3.2 **Amount Deemed Paid or Distributed.** The funds and assets deemed
paid or distributed to the holders of capital stock of the Corporation upon any such merger,
consolidation, sale, transfer or other disposition described in this Section 1.3 shall be the cash or
the value of the property, rights or securities paid or distributed to such holders by the Corporation
or the acquiring person, firm or other entity. The value of such property, rights or securities shall
be determined in good faith by the Board.

1.3.3 In the event of a Deemed Liquidation Event referred to in Subsection
1.3.1(a)(ii) or 1.3.1(b), if the Corporation does not effect a dissolution of the Corporation within
ninety (90) days after such Deemed Liquidation Event, then (i) the Corporation shall send a written
notice to each holder of Preferred Stock no later than the ninetieth (90th) day after the Deemed
Liquidation Event advising such holders of their right (and the requirements to be met to secure
such right) pursuant to the terms of the following clause; (ii) to require the redemption of such
shares of Preferred Stock, and (iii) if the Requisite Holders so request in a written instrument
delivered to the Corporation not later than one hundred twenty (120) days after such Deemed
Liquidation Event, the Corporation shall use the consideration received by the Corporation for
such Deemed Liquidation Event (net of any retained liabilities associated with the assets sold or
technology licensed, as determined in good faith by the Board of Directors of the Corporation),
together with any other assets of the Corporation available for distribution to its stockholders, all
to the extent permitted by South Carolina law governing distributions to stockholders (the
“Available Proceeds”), on the one hundred fiftieth (150th) day after such Deemed Liquidation
Event, to redeem all outstanding shares of Preferred Stock at a price per share equal to the Preferred

Mar 16, 2023
REFERENCE ID: 1254176
Liquidation Amount. Notwithstanding the foregoing, in the event of a redemption pursuant to the preceding sentence, if the Available Proceeds are not sufficient to redeem all outstanding shares of Preferred Stock, the Corporation shall ratably redeem each holder's shares of Preferred Stock of such Available Proceeds, and shall redeem the remaining shares as soon as it may lawfully do so under applicable law governing distributions to stockholders. Prior to the distribution or redemption provided for in this Subsection 2.3.2(b), the Corporation shall not expend or dissipate the consideration received for such Deemed Liquidation Event, except to discharge expenses incurred in connection with such Deemed Liquidation Event.


SECRETARY OF STATE OF SOUTH CAROLINA

2. *Voting.* The provisions of this Section 2 shall not apply to Series CF Non-voting Preferred Stock and the number of Series CF Non-voting Preferred Stock issued shall not be included in any calculations included in Section 2.3 herein.

2.1 General. On any matter presented to the stockholders of the Corporation for their action or consideration at any meeting of stockholders of the Corporation (or by written consent of stockholders in lieu of meeting), each holder of outstanding shares of Preferred Stock shall be entitled to cast the number of votes equal to the number of whole shares of Common Stock into which the shares of Preferred Stock held by such holder are convertible as of the record date for determining stockholders entitled to vote on such matter. Fractional votes shall not be permitted and any fractional voting rights available on an as-converted basis (after aggregating all shares into which shares of Preferred stock held by each holder could be converted) shall be rounded to the nearest whole number (with one-half being rounded upward). Except as provided by law or by the other provisions of these Articles of Incorporation, as amended, holders of Preferred Stock shall vote together with the holders of Common Stock as a single class on an as-converted basis, shall have full voting rights and powers equal to the voting rights and powers of the holders of Common Stock, and shall be entitled, notwithstanding any provision hereof, to notice of any stockholders' meeting in accordance with the Bylaws of the Corporation.

2.2 Election of Directors. The holders of record of the Corporation's capital stock shall be entitled to elect directors as described in the Bylaws and in the Corporation's Investor Rights Agreement. Any director elected as provided in the preceding sentences may be removed without cause by, and only by, the affirmative vote of the holders of the shares of the class, classes, or series of capital stock entitled to elect such director or directors, given either at a special meeting of such stockholders duly called for that purpose or pursuant to a written consent of stockholders. At any meeting held for the purpose of electing a director, the presence in person or by proxy of the holders of a majority of the outstanding shares of the class, classes, or series entitled to elect such director shall constitute a quorum for the purpose of electing such director.

2.3 Preferred Stock Protective Provisions. At any time when at least twenty five percent (25%) of the initially issued shares of Preferred Stock remain outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or the Articles of Incorporation, as amended) the written consent or affirmative vote of the Requisite Holders, given in writing or by vote at a meeting, consenting, or voting (as the case may be) separately as a single class:

Mar 16 2023 (a) alter or change the rights, powers or privileges of the Preferred Stock set forth in the Articles of Incorporation, as amended, or Bylaws, as then in effect, in a way that
REFERENCES: 1254176
the Preferred Stock;


SECRETARY OF STATE OF SOUTH CAROLINA

(b) increase or decrease the authorized number of shares of Common Stock or Preferred Stock (or any series thereof);

(c) authorize or create (by reclassification or otherwise) any new class or series of capital stock having rights, powers, or privileges set forth in the articles of incorporation of the Corporation, as then in effect, that are senior to or on a parity with any series of Preferred Stock;

(d) redeem or repurchase any shares of Common Stock or Preferred Stock (other than pursuant to employee or consultant agreements giving the Corporation the right to repurchase shares upon the termination of services pursuant to the terms of the applicable agreement);

(e) declare or pay any dividend or otherwise make a distribution to holders of Preferred Stock or Common Stock;

(f) increase or decrease the number of directors of the Corporation;

(g) liquidate, dissolve or wind-up the business and affairs of the Corporation, effect any Deemed Liquidation Event, or consent, agree or commit to any of the foregoing without conditioning such consent, agreement or commitment upon obtaining the approval required by this Section 2.3.

3. *Conversion.* Except for Series CF Non-voting Preferred Stock, which shall only have a right to conversion to Common Stock upon a Deemed Liquidation Event, the holders of the Preferred Stock shall have conversion rights as follows (the “*Conversion Rights*”):

3.1 Right to Convert.

3.1.1 Conversion Ratio. Each share of Preferred Stock shall be convertible, at the option of the holder thereof, at any time, and without the payment of additional consideration by the holder thereof, into such number of fully paid and non-assessable shares of Common Stock as is determined by dividing the Original Issue Price for such series of Preferred Stock by the Conversion Price (as defined below) for such series of Preferred Stock in effect at the time of conversion. The “*Conversion Price*” for each series of Preferred Stock shall initially mean the Original Issue Price for such series of Preferred Stock. Such initial Conversion Price, and the rate at which shares of Preferred Stock may be converted into shares of Common Stock, shall be subject to adjustment as provided below.

3.1.2 Termination of Conversion Rights. Subject to Section 3.3.1 in the case of a Contingency Event (as defined therein), in the event of a liquidation, dissolution or winding up of the Corporation or a Deemed Liquidation Event, the Conversion Rights shall terminate at the close of business on the last full day preceding the date fixed for the first payment of any funds and assets distributable on such event to the holders of Preferred Stock.

Mar 16 2023 3.2

Fractional Shares. No fractional shares of Common Stock shall be issued upon conversion of the Preferred Stock. In lieu of any fractional shares to which the holder would be entitled, the Corporation shall pay cash equal to such fraction multiplied by the fair market value of one share of Common Stock as determined in good faith by the Board. Whether or not fractional shares would be issuable upon such conversion shall be determined on the basis of the total number of shares of Preferred Stock the holder is at the time converting into Common Stock and the aggregate number of shares of Common Stock issuable upon such conversion.

REFERENCE ID: A1254176

SECRETARY OF STATE OF SOUTH CAROLINA

3.3 Mechanics of Conversion.

3.3.1 Notice of Conversion. In order for a holder of Preferred Stock to voluntarily convert shares of Preferred Stock into shares of Common Stock, such holder shall surrender the certificate or certificates for such shares of Preferred Stock (or, if such registered holder alleges that any such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate), at the office of the transfer agent for the Preferred Stock (or at the principal office of the Corporation if the Corporation serves as its own transfer agent), together with written notice that such holder elects to convert all or any number of the shares of the Preferred Stock represented by such certificate or certificates and, if applicable, any event on which such conversion is contingent (a "**Contingency Event**"), in which case such conversion shall be deemed to occur immediately prior to such Contingency Event, unless otherwise specified in such notice. Such notice shall state such holder's name or the names of the nominees in which such holder wishes the certificate or certificates for shares of Common Stock to be issued. If required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by a written instrument or instruments of transfer, in form reasonably satisfactory to the Corporation, duly executed by the registered holder or such holder's attorney duly authorized in writing. The close of business on the date of receipt by the transfer agent (or by the Corporation if the Corporation serves as its own transfer agent) of such certificates (or lost certificate affidavit and agreement) and notice (or, if later, the date on which the Contingency Event (or, in the case of a conversion that is contingent on multiple Contingency Events, the last to occur of such Contingency Events) has occurred) shall be the time of conversion (the "**Conversion Time**"), and the shares of Common Stock issuable upon conversion of the shares represented by such certificate shall be deemed to be outstanding of record as of such time. The Corporation shall, as soon as practicable after the Conversion Time, (a) issue and deliver to such holder of Preferred Stock, or to such holder's nominees, a certificate or certificates for the number of full shares of Common Stock issuable upon such conversion in accordance with the provisions hereof and a certificate for the number (if any) of the shares of Preferred Stock represented by the surrendered certificate that were not converted into Common Stock, (b) pay in cash such amount as provided in Section 3.2 in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and (c) pay all declared but unpaid dividends on the shares of Preferred Stock converted.

3.3.2 Reservation of Shares. The Corporation shall at all times while any share of Preferred Stock shall be outstanding, reserve and keep available out of its authorized but unissued capital stock, for the purpose of effecting the conversion of the Preferred Stock, such number of its duly authorized shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding Preferred Stock; and if at any time the number of authorized

but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then-outstanding shares of the Preferred Stock, the Corporation shall use its best efforts to cause such be taken as may be necessary to increase its authorized but unissued shares of such number of shares as shall be sufficient for such purposes, including, without limitation, engaging in best efforts to obtain the requisite stockholder approval of any necessary amendment to these Articles of Incorporation, as amended. Before taking any action that would cause an adjustment reducing the Conversion Price of a series of Preferred Stock below the then par value of the shares of Common Stock issuable upon conversion of such series of Preferred Stock, the Corporation will take any corporate action that may, in the opinion of its counsel, be necessary so that the Corporation may validly and legally issue fully paid and non-assessable shares of Common Stock at such adjusted Conversion Price.

Mark Hammond
SECRETARY OF STATE OF SOUTH CAROLINA

3.3.3 Effect of Conversion. All shares of Preferred Stock that shall have been surrendered for conversion as herein provided shall no longer be deemed to be outstanding and all rights with respect to such shares shall immediately cease and terminate at the Conversion Time, except only the right of the holders thereof to receive shares of Common Stock in exchange therefor, to receive payment in lieu of any fraction of a share otherwise issuable upon such conversion as provided in Section 3.2 and to receive payment of any dividends declared but unpaid thereon. Any shares of Preferred Stock so converted shall be retired and cancelled and may not be reissued.

3.3.4 No Further Adjustment. Upon any conversion of shares of Preferred Stock, no adjustment to the Conversion Price of the applicable series of Preferred Stock shall be made with respect to the converted shares for any declared but unpaid dividends on such series of Preferred Stock or on the Common Stock delivered upon conversion.

3.4 Adjustment for Stock Splits and Combinations. If the Corporation shall at any time or from time to time after the date on which the first share of a series of Preferred Stock is issued by the Corporation (such date referred to herein as the "**Original Issue Date**" for such series of Preferred Stock) effect a subdivision of the outstanding Common Stock, the Conversion Price for such series of Preferred Stock in effect immediately before that subdivision shall be proportionately decreased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be increased in proportion to such increase in the aggregate number of shares of Common Stock outstanding. If the Corporation shall at any time or from time to time after the Original Issue Date for a series of Preferred Stock combine the outstanding shares of Common Stock, the Conversion Price for such series of Preferred Stock in effect immediately before the combination shall be proportionately increased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be decreased in proportion to such decrease in the aggregate number of shares of Common Stock outstanding. Any adjustment under this Section 3.4 shall become effective at the close of business on the date the subdivision or combination becomes effective.

3.5 Adjustment for Certain Dividends and Distributions. In the event the Corporation at any time or from time to time after the Original Issue Date for a series of Preferred Stock shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable on the Common Stock in additional shares of Common Stock, then and in each such event the Conversion Price for such series of

Mar 16 2023
12:54:17
Preferred Stock in effect immediately before such event shall be decreased as of the time of such
issuance or, in the event such a record date shall have been fixed, as of the close of business on
such record date, by multiplying such Conversion Price then in effect by a fraction:


SECRETARY OF STATE OF SOUTH CAROLINA

(a) the numerator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date, and

(b) the denominator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date plus the number of shares of Common Stock issuable in payment of such dividend or distribution.

Notwithstanding the foregoing, (i) if such record date shall have been fixed and such dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, such Conversion Price shall be recomputed accordingly as of the close of business on such record date and thereafter such Conversion Price shall be adjusted pursuant to this Section 3.5 as of the time of actual payment of such dividends or distributions; and (ii) no such adjustment shall be made if the holders of such series of Preferred Stock simultaneously receive a dividend or other distribution of shares of Common Stock in a number equal to the number of shares of Common Stock that they would have received if all outstanding shares of such series of Preferred Stock had been converted into Common Stock on the date of such event.

3.6 Adjustments for Other Dividends and Distributions. In the event the Corporation at any time or from time to time after the Original Issue Date for a series of Preferred Stock shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in securities of the Corporation (other than a distribution of shares of Common Stock in respect of outstanding shares of Common Stock), then and in each such event the holders of such series of Preferred Stock shall receive, simultaneously with the distribution to the holders of Common Stock, a dividend or other distribution of such securities in an amount equal to the amount of such securities as they would have received if all outstanding shares of such series of Preferred Stock had been converted into Common Stock on the date of such event.

3.7 Adjustment for Reclassification, Exchange and Substitution. If at any time or from time to time after the Original Issue Date for a series of Preferred Stock the Common Stock issuable upon the conversion of such series of Preferred Stock is changed into the same or a different number of shares of any class or classes of stock of the Corporation, whether by recapitalization, reclassification, or otherwise (other than by a stock split or combination, dividend, distribution, merger or consolidation covered by Sections 3.4, 3.5, 3.6 or 3.8 or by Section 1.3 regarding a Deemed Liquidation Event), then in any such event each holder of such series of Preferred Stock shall have the right thereafter to convert such stock into the kind and amount of stock and other securities and property receivable upon such recapitalization, reclassification or other change by holders of the number of shares of Common Stock into which such shares of Preferred Stock could have been converted immediately prior to such recapitalization, reclassification or change.

Mar 16 2023 3.8 Adjustment for Merger or Consolidation. Subject to the provisions of Section 3.1, there shall occur any consolidation or merger involving the Corporation in which any series of Preferred Stock (but not a series of Preferred Stock) is converted into or exchanged for other property (other than a transaction covered by Sections 3.5, 3.6 or 3.7), then, following any such consolidation or merger, provision shall be made that each share of such series of Preferred Stock shall thereafter be convertible, in lieu of the Common Stock into which it was convertible prior to such event, into the kind and amount of securities, cash or other property which a holder of the number of shares of Common Stock of the Corporation issuable upon conversion of one share of such series of Preferred Stock immediately prior to such consolidation or merger would have been entitled to receive pursuant to such transaction; and, in such case, appropriate adjustment (as determined in good faith by the Board) shall be made in the application of the provisions in this Section 3 with respect to the rights and interests thereafter of the holders of such series of Preferred Stock, to the end that the provisions set forth in this Section 3 (including provisions with respect to changes in and other adjustments of the Conversion Price of such series of Preferred Stock) shall thereafter be applicable, as nearly as reasonably may be, in relation to any securities or other property thereafter deliverable upon the conversion of such series of Preferred Stock.

3.9 Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment of the Conversion Price of a series of Preferred Stock pursuant to this Section 3, the Corporation at its expense shall, as promptly as reasonably practicable but in any event not later than 15 days thereafter, compute such adjustment or readjustment in accordance with the terms hereof and furnish to each holder of such series of Preferred Stock a certificate setting forth such adjustment or readjustment (including the kind and amount of securities, cash or other property into which such series of Preferred Stock is convertible) and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, as promptly as reasonably practicable after the written request at any time of any holder of any series of Preferred Stock (but in any event not later than 10 days thereafter), furnish or cause to be furnished to such holder a certificate setting forth (a) the Conversion Price of such series of Preferred Stock then in effect and (b) the number of shares of Common Stock and the amount, if any, of other securities, cash or property which then would be received upon the conversion of such series of Preferred Stock.

3.10 Mandatory Conversion. Upon either (a) the closing of the sale of shares of Common Stock to the public in a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended or (b) the date and time, or the occurrence of an event, specified by vote or written consent of the Requisite Holders at the time of such vote or consent, voting as a single class on an as-converted basis (the time of such closing or the date and time specified or the time of the event specified in such vote or written consent is referred to herein as the "**Mandatory Conversion Time**"), (i) all outstanding shares of Preferred Stock shall automatically be converted into shares of Common Stock, at the applicable ratio described in Section 3.1.1 as the same may be adjusted from time to time in accordance with Section 3 and (ii) such shares may not be reissued by the Corporation.

3.11 Procedural Requirements. All holders of record of shares of Preferred Stock shall be sent written notice of the Mandatory Conversion Time and the place designated for mandatory conversion of all such shares of Preferred Stock pursuant to Section 3.10. Unless otherwise provided in these Articles of Incorporation, as amended, such notice need not be sent in

advance of the occurrence of the Mandatory Conversion Time. Upon receipt of such notice, each holder of shares of Preferred Stock shall surrender such holder's certificate or certificates for all

such holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation at the place designated in such notice, and shall thereafter receive certificates for the number of shares of Common Stock to which such holder is entitled pursuant to this Section 3. If so required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form reasonably satisfactory to the Corporation, duly executed by the registered holder or such holder's attorney duly authorized in writing. All rights with respect to the Preferred Stock converted pursuant to Section 3.10, including the rights, if any, to receive notices and vote (other than as a holder of Common Stock), will terminate at the Mandatory Conversion Time (notwithstanding the failure of the holder or holders thereof to surrender the certificates at or prior to such time), except only the rights of the holders thereof, upon surrender of their certificate or certificates (or lost certificate affidavit and agreement) therefor, to receive the items provided for in the next sentence of this Section 3.11. As soon as practicable after the Mandatory Conversion Time and the surrender of the certificate or certificates (or lost certificate affidavit and agreement) for Preferred Stock, the Corporation shall issue and deliver to such holder, or to such holder's nominee(s), a certificate or certificates for the number of full shares of Common Stock issuable on such conversion in accordance with the provisions hereof, together with cash as provided in Section 3.2 in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and the payment of any declared but unpaid dividends on the shares of Preferred Stock converted. Such converted Preferred Stock shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Preferred Stock (and the applicable series thereof) accordingly.

4. *Dividends.* All dividends shall be declared pro rata on the Common Stock and the Preferred Stock on a *pari passu* basis according to the number of shares of Common Stock held by such holders. For this purpose each holder of shares of Preferred Stock is to be treated as holding the greatest whole number of shares of Common Stock then issuable upon conversion of all shares of Preferred Stock held by such holder pursuant to Section 3.

5. *Redeemed or Otherwise Acquired Shares.* Any shares of Preferred Stock that are redeemed or otherwise acquired by the Corporation or any of its subsidiaries shall be automatically and immediately cancelled and retired and shall not be reissued, sold or transferred. Neither the Corporation nor any of its subsidiaries may exercise any voting or other rights granted to the holders of Preferred Stock following redemption.

6. *Waiver.* Any of the rights, powers, privileges and other terms of the Preferred Stock set forth herein may be waived prospectively or retrospectively on behalf of all holders of Preferred Stock by the affirmative written consent or vote of the holders of the Requisite Holders.

7. *Notice of Record Date.* In the event:

Mar 16, 2023

REFERENCE ID: 1254176

the Corporation shall take a record of the holders of its Common Stock (or other
Capital Stock or securities at the time issuable upon conversion of the Preferred Stock) for the
purpose of enabling them to receive any dividend or other distribution, or to receive
or purchase any shares of capital stock of any class or any other securities,
or to receive any other security; or

(b) of any capital reorganization of the Corporation, any reclassification of the
Common Stock of the Corporation, or any Deemed Liquidation Event; or

(c) of the voluntary or involuntary dissolution, liquidation or winding up of the
Corporation,

then, and in each such case, the Corporation will send or cause to be sent to the holders of the
Preferred Stock a notice specifying, as the case may be, (i) the record date for such dividend,
distribution or right, and the amount and character of such dividend, distribution or right, or (ii)
the effective date on which such reorganization, reclassification, consolidation, merger, transfer,
dissolution, liquidation or winding up is proposed to take place, and the time, if any is to be fixed,
as of which the holders of record of Common Stock (or such other capital stock or securities at the
time issuable upon the conversion of the Preferred Stock) shall be entitled to exchange their shares
of Common Stock (or such other capital stock or securities) for securities or other property
deliverable upon such reorganization, reclassification, consolidation, merger, transfer, dissolution,
liquidation or winding up, and the amount per share and character of such exchange applicable to
the Preferred Stock and the Common Stock. Such notice shall be sent at least 20 days prior to the
earlier of the record date or effective date for the event specified in such notice.

8. *Notices.* Except as otherwise provided herein, any notice required or permitted by
the provisions of this Article V to be given to a holder of shares of Preferred Stock shall be mailed,
postage prepaid, to the post office address last shown on the records of the Corporation, or given
by electronic communication in compliance with the provisions of the South Carolina Business
Corporation Act of 1976, as amended, and shall be deemed sent upon such mailing or electronic
transmission.